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SIMMS/md

THIS DISPOSITION IS NOT
CITABLE AS PRECEDENT OF THE
TTAB

SEPT 22, 98

U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

First Financial Management Corporation

v.

Postal Buddy Corporation

Opposition No. 100,233
to application Serial No. 74/114,029
filed on November 9, 1990

Glenn Mitchell of Weiss, Dawid, Fross, Zelnick & Lehrman,
P.C. for First Financial Management Corporation.

Bernard L. Kleinke of Higgs, Fletcher & Mack LLP for Postal
Buddy Corporation.

Before Simms, Seeherman and Hairston, Administrative
Trademark Judges.

Opinion by Simms, Administrative Trademark Judge:

First Financial Management Corporation (opposer), a
Georgia corporation, has opposed the application of Postal
Buddy Corporation (applicant), a California corporation, to
register the mark OPINIONGRAM for providing computer
terminals for use by the public to create interactively

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recommended opinion correspondence and to recommend selected policy and decision makers to receive such correspondence.¹ In the notice of opposition, opposer asserts ownership of the mark OPINIONGRAM for telegraph transmission and communication services, by assignment from Western Union Data Services Company, Inc.; that opposer and its predecessors have used this mark since 1982 for transmission and communication services including the sending of messages by customers to public officials; that this mark has become distinctive of opposer's services; that opposer owns an application (application Serial No. 74/398,330, filed June 3, 1993) to register this mark for the recited services; and that applicant's mark so resembles opposer's previously used mark as to be likely to cause confusion, to cause mistake or to deceive.

In its answer, applicant has denied the essential allegations of the opposition. In addition, applicant asserts that the mark has not been used by opposer or its predecessors for a substantial period of time prior to August 14, 1990, resulting in the abandonment of trademark rights; and that no trademark rights were legally assigned or transferred to opposer, depriving opposer of standing herein.

The record of this case consists of testimony and

¹ Application Serial No. 74/114,029, filed November 9, 1990, based upon applicant's bona fide intention to use the mark in

exhibits submitted by each party, and opposer's notice of reliance upon its pleaded application, on various articles and advertisements from printed publications, and on applicant's responses to opposer's discovery requests. The parties have submitted briefs and an oral argument was held.

The Record

Opposer took the testimony of David Shapiro, the director of marketing for its "message products" such as CABLEGRAM, MAILGRAM and OPINIONGRAM messages. According to Mr. Shapiro, the mark OPINIONGRAM identifies messages sent by consumers to elected officials; in other words, this mark identifies a particular type of telegram.

Concerning the corporate structure of, and the use of the mark by, Western Union Corporation, Mr. Shapiro testified that Western Union Financial Services, Inc., created in 1990, was a subsidiary of the Western Union Corporation, the latter company having been renamed New Valley Corporation in April 1991. In 1994, Western Union Financial Services, Inc. was sold to First Financial Management Corporation (opposer). Shapiro dep., 11. However, the message products remained with the parent company (New Valley Corporation), with Western Union Data Services Company, Inc. performing services under the mark, until 1995. At that time, these products and the marks under which they were sold were acquired by First Financial

commerce.

Management Corporation and First Data Corporation, the latter two of which were merged in 1995. During the time the mark was used by the subsidiary of the Western Union Corporation, the trade name Western Union was also used in connection with this mark. Shapiro dep., 8,11.

Mr. Shapiro also testified that the OPINIONGRAM product (or service) was available to consumers in 1990 as well as prior to that time. Mr. Shapiro testified, at 27:

The records show no interruption of sales of the product from 1989 to the present.

Opposer's records show monthly transactions and revenue from the years 1989 through 1996, although, according to Mr. Shapiro, the figures vary from month to month.

According to the testimony of Sidney Goodman, applicant's president and chief executive officer, applicant entered into a contract with the U. S. Postal Service to provide an electronic kiosk called "Postal Buddy," to be placed in post offices and other locations. These kiosks were to provide various printed products such as address labels and postcards as well as the OPINIONGRAM service. This service was intended to produce postcards addressed to elected and non-elected officials on a variety of issues. Goodman dep., 10.

Through this witness, applicant attempted to introduce various documents including press reports about opposer's

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use (or alleged lack of use) of its pleaded mark, including press reports about a strike at Western Union which allegedly interfered with the offering of opposer's services, such as the OPINIONGRAM service. Opposer has objected to many of these documents on the basis of hearsay and relevance. Suffice it to say that, as explained below, we do not believe that this evidence proves applicant's claim that opposer's mark has been abandoned.

Applicant also attempted to introduce, through this witness, an investigative report prepared by another, which purports to show that there were periods of nonuse of opposer's mark. In particular, applicant has attempted to again demonstrate that the strike in 1990 caused or contributed to an abandonment of opposer's mark.

Arguments of the Parties

Opposer, in its main brief, argues that its record establishes prior and continuous use of the mark OPINIONGRAM by predecessors in interest as well as likelihood of confusion because the parties' services are very similar.

It is applicant's position that the record does not support opposer's position that opposer and its predecessors continuously used the mark OPINIONGRAM prior to the November 9, 1990 filing date of applicant's application. Essentially, applicant argues that the facts in this case do not clearly indicate the source of the transmission and

communication services. While opposer alleges that rights to the mark were assigned to it in October 1995, according to applicant the evidence shows that opposer's witness believed that Western Union was providing these services as of December 1996, the date of the deposition. Applicant argues that there is no evidence demonstrating a relationship between opposer and Western Union which would enable the use of the mark by Western Union to inure to the benefit of opposer. Applicant also points to an article, dated September 9, 1996, after the alleged assignment from Western Union Data Services to opposer, indicating that a person may send an OPINIONGRAM letter "[s]imply by calling Western Union." Applicant does acknowledge that some time in 1994, Western Union Financial Services (WUFS) was sold to the opposer and that ownership of the messaging services was retained by Western Union Data Services (WUDS).

Subsequent to the sale of WUFS to the Opposer, WUDS was responsible for messaging services, including "OPINIONGRAM" services... However, the sale and marketing of the messaging products was performed by WUFS pursuant to a contract with WUDS...

Although it is claimed that the rights to the mark "OPINIONGRAM" were retained by New Valley when WUFS was sold...there is no evidence of record showing the rights to the mark and Opposer's application were properly transferred to New Valley. There is no evidence that New Valley transferred the rights to the mark and Opposer's application to WUDS. Furthermore, there is no evidence or

record indicating that the contractual arrangement between WUDS and WUFS was not merely a naked license. Without such evidence, the Opposer cannot demonstrate that the use of the mark by the named applicant WUFS inures to the benefit of the Opposer.

Applicant's brief, 11-12.

Applicant also argues that opposer is not entitled to priority because it and its predecessors abandoned the use of the mark.

The evidence of record demonstrates a significant gap of non-use of the mark "OPINIONGRAM" by the Opposer or its predecessors between about May of 1989... and about the summer of 1993... In this regard, there is no demonstrative evidence of record indicating that Western Union advertised the "OPINIONGRAM" services between about May of 1989 and about the summer of 1993, a gap of about four (4) years.

Furthermore, the evidence shows that Western Union ceased offering the "OPINIONGRAM" services in about August of 1990... There is also evidence that Western Union was providing opinion telegram services as Personal Opinion Telegrams in January of 1991... This evidence implies that Western Union intended to abandon the use of the mark, and that Western Union did not intend to resume use of the mark.

Applicant's brief, 13-14. Accordingly, applicant maintains that the evidence presented by opposer is not sufficient to rebut the presumption of abandonment. Rather, according to applicant, there is no evidence corroborating the use of the mark between May 1989 and the summer of 1993.

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Opposer, on the other hand, argues in its reply brief that applicant has seized upon a somewhat complicated corporate history to confuse the record. Opposer maintains that this record demonstrates that it is the owner of the mark and that applicant has failed to make out a prima facie case of abandonment. Opposer reiterates the fact that Western Union Corporation offered the OPINIONGRAM service beginning in 1982. When Western Union Financial Services, Inc. was acquired by opposer in 1994, New Valley Corporation retained ownership of the messaging products through Western Union Data Services Company, Inc., a wholly owned subsidiary. The application as well as the mark was assigned to Western Union Data Services Company, Inc. That company assigned its rights in various marks to opposer in 1995.

With respect to the issue of abandonment, opposer argues that the evidence reflected in advertisements and newspaper articles referring to the OPINIONGRAM service as well as testimony shows that opposer's mark has not been abandoned. Also, according to opposer, unreliable and hearsay statements made in newspaper reports fail to make out a prima facie case of abandonment.

Discussion and Opinion

First, it should be pointed out that applicant in its brief has not disputed opposer's argument that confusion is

likely if both parties use the identical mark OPINIONGRAM in connection with their closely related services.

Although the record concerning ownership is somewhat complicated, we agree with opposer that it is sufficiently clear to show a chain of title from Western Union Corporation, through use by Western Union Financial Services and then by Western Union Data Services, after the former was sold to opposer, and then to opposer by assignment from Western Union Data Services in 1995.

With respect to the issue of abandonment, assuming that the three-year period is applicable to this case as the result of the amendment to Section 45 of the Lanham Act (definition of "Abandonment"), 15 USC §1127, effective January 1, 1996,² we agree with opposer that applicant has not made out a prima facie case of abandonment and that the documents and testimony of record establish opposer's relatively continuous use of the mark before applicant's 1990 filing date.

First, it is well established that abandonment is in the nature of a forfeiture of rights and carries a strict

² Here, the notice of opposition was filed four days before the effective date of the revision but applicant's affirmative defense was not asserted until its June 3, 1996 answer, five months after the effective date of the revision. See *Linville v. Rivard*, 41 USPQ2d 1731, 1735 n.9 (TTAB 1996) (applying the two-year provision because the case was commenced and tried prior to the effective date of the amendment). At the oral hearing, applicant agreed that the appropriate period of nonuse for a prima facie case is three years' nonuse.

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burden of proof. *P.A.B. Produits et Appareils de Beaute v. Santinine Societa*, 670 F.2d 1031, 196 USPQ 801 (CCPA 1978) and *Nestle Co. v. Nash-Finch Co.*, 4 USPQ2d 1085, 1089 (TTAB 1987), and authority cited therein.

As noted by opposer, Mr. Shapiro testified that this service has been available continuously from 1989 through 1996, although the revenue figures fluctuate.

Also, aside from the hearsay problem of the news reports and the investigator's report being offered to prove the truth of the matter asserted, applicant's attempts to prove abandonment must fail. First, in its answer, applicant pleaded that opposer had not used its mark for a "substantial period of time" prior to August 14, 1990. Opposer was thus on notice that the relevant period of nonuse resulting in abandonment immediately preceded August 1990. Any attempt to prove a period of nonuse extending beyond August 1990 would, unless tried without objection by opposer, be unfair and prejudicial. See *P.A.B. Produits et Appareils de Beaute v. Santinine Societa*, supra, 196 USPQ at 804.

Further, the press report applicant relies on appears to suggest that the OPINIONGRAM service was being offered immediately prior to the strike. Even if the service was discontinued at the time of the strike, the requisite period of nonuse for a prima facie case (whether considered two or

three years' nonuse), as pleaded in the notice of opposition, has not been established.

As indicated, applicant also sought to introduce the report of an investigative agency located in California, attempting to show that opposer's mark has been abandoned. Opposer properly objected to this testimony and exhibit on the basis of hearsay and lack of foundation, because the investigator or person who prepared the report was not called as a witness. Moreover, this report itself indicates that the mark was used as recently as August 1989, just one year before the August 1990 date set forth in the answer.

...[W]e located references of Opiniongram being used until August 1989, the next reference to that type of service is January 1991, under the name Personal Opinion Telegram. After that date, we find no reference until August 1993, for Opiniongram.

In sum, applicant has simply failed to demonstrate a prima facie case of even two years' nonuse.

Even if there had been some period of nonuse as a result of the strike against Western Union in 1990, and even if this issue had been tried by the parties, as opposer has argued nonuse caused by such an involuntary act such as a strike does not support a finding of abandonment. See *Sterling Brewers, Inc. v. Schenley Industries, Inc.*, 441 F.2d 675, 169 USPQ 590, 593-94 (CCPA 1971). Suffice it to say that the inferences of abandonment which applicant seeks

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us to draw from the testimony, newspaper articles and other evidence of record is unwarranted. Accordingly, applicant has not made out a prima facie case of abandonment.

Because opposer has shown ownership of the mark and priority of use, as well as likelihood of confusion, the opposition is sustained and registration to applicant is refused.

R. L. Simms

E. J. Seeherman

P. T. Hairston
Administrative Trademark
Judges, Trademark Trial and
Appeal Board